



[Home](#) · [News](#) · [Sports](#) · [Business](#) · [Features](#) · [Scene](#) · [Velocity](#) · [Classifieds](#) · [Jobs](#) · [Cars](#) · [Homes](#) · [Shopping](#) · [Contact Us](#)

Opinion/Editorials » [Daily Editorial](#)

Monday, December 27, 2004

Court cracks tobacco farmers' golden egg



Subscribe
Click here
get the
delivered
your door

A North Carolina business court judge has certainly ended 2004 with a bang. Last week, Judge Ben Tennille ruled that the tobacco buyout legislation passed by Congress in October makes it unnecessary for tobacco companies to pay into a trust fund for farmers this year.

That was a most unhappy Christmas surprise: Farmers knew their trust fund payments would end in 2005, but expected checks through 2004.

Of course, the judge's opinion may be overturned. Farmers may yet get the \$440 million they think they deserve.

As the judge himself wrote, "The Supreme Court of North Carolina is likely to have the final word."

But he points out that the argument could have been settled in Congress. It didn't have to end up in court. Members were well aware they were creating vague, ambiguous legislation — that they could have said explicitly what should happen to the Phase II payments.

Instead, "Congress gave each side (the tobacco companies and tobacco farmers) language from which it could argue it should prevail" in court. And "members of Congress gave themselves credit for passing the bill before the election."

Farmers, however, shouldn't be too hard on Congress for working both sides of the issue. In this case, it was probably smart to keep the tobacco companies happy. They have a lot of clout in Washington. And the feeling was that this was the last chance tobacco-state lawmakers had to pass a buyout bill.

As Judge Tennille wrote, "The congressional representatives and lobbyists got the farmers the best possible deal they could get at the best possible time.... Tobacco farmers ... would be paid over \$10 billion ... to give up a quota system that was declining rapidly and a price support system that was doomed."

In fact, the buyout seemed like a miracle at the time. Getting a sure \$10 billion for farmers

Top Jobs

courier-journal.com

POWERED BY
careerbuilder*

**Executive/
Management/ Strategy
Planning**
FLEET MANAGER

Responsible for loading fl...

Job
Immediate Openings!!! Are
you juggling t...

**ASSISTANT
ADMINISTRATOR**
Masonic Homes of Kentucky
- Louisville

Sales Marketing
SALES PROFESSIONALS-
Join the fastest gr...

Job
Pay Off Holiday Bills • Best
Part Time ...

Administrative/ Clerical
1 ADMINISTRATIVE
ASSISTANT Greenlee
Text...

All Top Jobs

About Top Jobs



was wiser than risking everything in a fight over \$440 million.

Of course, farmers still could get everything they want: Higher state courts — with elected judges — could take their side.

But even if farmers never see that \$440 million, they still got a great deal. "Many older farmers will be able to retire," Judge Tennille reminded them. "Larger, more cost-effective farms can be created without buying quota."

So it may be a lean holiday season on some farms. January and February may be rough.

But starting in 2005, the money will flow their way again. Tobacco farmers are such a privileged class!

Even this North Carolina judge couldn't resist pointing that out. Furniture and textile workers, he noted, didn't get similar help with their occupational transitions.

Nor has anyone else.

^^ [Back to top](#)

[Home](#) · [News](#) · [Sports](#) · [Business](#) · [Features](#) · [Scene](#) · [Velocity](#) · [Classifieds](#) · [Jobs](#) · [Cars](#) · [Homes](#) · [Shopping](#) · [Contact Us](#)



Copyright 2004 The Courier-Journal.
Use of this site signifies your agreement to the [Terms of Service](#) (updated 12/18/2003).
Send questions and comments to [The Webmaster](#).